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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

JEFFREY R. BECKETT,

Plaintiff,

CASE NO.:

vs.
13 BRINX RESOURCES LTD., a Nevada
14 corporation, KENNETH A. CABIANCA,
15 an individual, GEORGIA KNIGHT, an
individual and SARAH CABIANCA, an
individual,

**COMPLAINT AND JURY
DEMAND**

Defendants.

Plaintiff, Jeffrey R. Beckett, by and through his attorneys, Maupin, Cox and LeGoy, and for his Complaint against the Defendants states as follows:

Parties

1. Plaintiff, Jeffrey R. Beckett ("Plaintiff" or "Beckett"), is a citizen and resident of the State of Michigan.

2. Defendant Brinx Resources Ltd. ("Brinx"), is a Nevada corporation, organized and existing in accordance with the laws of the State of Nevada, and doing business in the State of Nevada.

3. Defendant Kenneth A. Cabianca ("Cabianca") is, upon information and belief, a resident of Nevada, and is: (i) the Chief Executive Officer, President and Chairman of the Board of Brinx; (ii) the controlling member of the Board of Directors of Brinx; (iii) a holder of the Common and Series A Preferred stock of Brinx; and (iv) a participant in the conspiracy among the Defendants to defraud Beckett described below.

4. Defendant Georgia Knight (“Knight”) is, upon information and belief, a resident of Nevada, and is: (i) a member of the Board of Directors of Brinx; and (ii) a participant in the conspiracy among the Defendants to defraud Beckett described in greater detail below.

5. Defendant Sarah Cabianca (“Sarah”) is, upon information and belief, a resident of Nevada, is the daughter of Cabianca and is a participant in the conspiracy among the Defendants to defraud Beckett described below.

Nature of the Action

6. On or about April 16, 2013, Plaintiff filed a Complaint in the Second Judicial District Court of the State of Nevada, in and for Washoe County, Nevada, setting forth various allegations and claims for relief against the Defendants, above-named (“Original State Complaint”). Among those claims for relief were claims under the Securities Act of 1934 and the Sarbanes-Oxley Act of 2002, set forth below. Prior to Defendants’ entry of an appearance, Plaintiff filed a First Amended Complaint, eliminating the above claims for relief so that they could be filed in the United States District Court, District of Nevada and consolidated with other

1 federal claims asserted herein. This action is brought to preserve the federal claims for relief
2 which are set forth herein while the claims set forth in the State Court action are prosecuted.

3 **Jurisdiction and Venue**

4 7. This action arises under the securities laws of the United States, specifically the
5 1934 Securities Act, 15 U.S.C. §78, et. seq and the 1933 Securities Act, 15 U.S.C. § 77a, et seq.
6 This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331,
7 concerning federal question jurisdiction.
8

9 8. The matter in controversy exceeds, exclusive of interest and costs, the sum
10 specified by 28 U.S.C. § 1332, there is complete diversity of citizenship among the parties in this
11 case and jurisdiction in this matter is alternatively proper under 28 U.S.C. § 1332.

12 9. Venue is proper pursuant to 28 U.S.C. §1391 (b) in the United States District
13 Court for the District of Nevada as Defendant Brinx is a Nevada corporation, and the individual
14 Defendants are, upon information and belief, residents of the State of Nevada.
15

16 **Demand For Jury**

17 10. Plaintiff hereby demands a jury to hear and to decide all matters triable of right by
18 a jury pursuant to Fed. R. Civ. P. 38.
19

20 **Factual Allegations**

21 11. The claims in this case flow from a conspiracy among the Defendants to defraud
22 Beckett of the value of his investment in Brinx, a Nevada entity owned only in part by, but
23 completely controlled and dominated for the personal benefit of, Cabianca.
24
25
26

1 12. The Defendants in this matter, acting in concert in Washoe County, Nevada and
2 elsewhere, conspired to defraud Beckett, through unlawful means and by the use of false
3 pretenses in violation of common law, tort and statutory prohibitions.

4 13. According to its website Brinx is a successful, expanding oil and gas production
5 and exploration company focused on developing oil and natural gas reserves. Brinx's current
6 focus is on the continued development and exploration of its diverse land portfolio comprised of
7 working interests in Oklahoma, Mississippi and California.

8 14. Brinx's Common stock trades on various "penny stock" or "pink sheet" public
9 stock exchanges and is available for sale or purchase by the general public.

10 15. According to public information available regarding Brinx, the corporation
11 currently has outstanding 25,000,000 shares of Common stock.

12 16. The approximate value of a share of Brinx Common stock as of the date of this
13 filing is \$.07 per share.

14 17. Pursuant to the Articles of Incorporation filed on or about December 23, 1998, the
15 business and affairs of Brinx are to be managed by a Board of Directors which shall exercise all
16 of the powers of the corporation except as otherwise provided in the Bylaws or otherwise in the
17 Articles of Incorporation or by the laws of the State of Nevada.

18 18. The Bylaws for Brinx provide that subject only to such limitations as may be
19 provided by law or in the Articles of Incorporation, the Board of Directors shall have full control
20 over the affairs of Brinx.

21 19. The Bylaws also provide that the President of Brinx, subject only to the direction
22 and supervision of the Board of Directors, shall be the chief executive officer of the corporation

1 and shall have general and active control of its affairs and business as well as general supervision
2 of its officers, agents and employees. Additionally, the President of Brinx shall report only to
3 the Board of Directors in the capacity of chief executive officer of the corporation.

4 20. The controlling member of the Board of Directors of Brinx since incorporation in
5 1998 through and including the present has been, and continues to be, Cabianca, whom also
6 currently serves as Chief Executive Officer and President of Brinx.
7

8 21. Knight's actions, as a member of the Board of Directors of Brinx, are controlled
9 by Cabianca, who appointed her to the Board of Directors of Brinx in 2012, to represent
10 Cabianca's interests exclusively, a role she has willingly assumed.
11

12 22. As the controlling Director of Brinx, Cabianca has exercised complete control and
13 dominion over the business affairs and decisions of Brinx from the date of incorporation through
14 and including the present date.
15

16 23. Pursuant to the Bylaws of Brinx, adopted on or about December 3, 2002, Brinx is
17 required to hold an annual meeting of its stockholders.
18

19 24. Acting at the direction of Cabianca, Brinx has failed to even hold a single annual
20 meeting of its stockholders as required in the Bylaws.
21

22 25. In this same regard, though the Bylaws of Brinx state that each outstanding share
23 of stock, regardless of class, shall be entitled to one vote as to matters so designated in the
24 Bylaws, Brinx has to date denied the shareholders, including Beckett, of their voting rights with
25 respect to any matter provided for in the Bylaws.
26

27 26. Beckett owns 2,826,335 Common shares of Brinx stock or approximately 11.5%
28 of the outstanding Common stock in Brinx.
29

1 27. Cabianca currently owns 2,554,702 Common shares of Brinx stock or
2 approximately 10.4% of the outstanding Common stock in Brinx.

3 28. According to public information provided to the Securities and Exchange
4 Commission ("SEC"), without adequate consideration and in violation of fiduciary and other
5 obligations owed to Beckett, on February 10, 2012, Defendant Cabianca caused Brinx to issue
6 500,001 shares of "Series A Preferred Stock" at par value to Cabianca.

7 29. The rights attached to the Series A Preferred Stock that Defendant Cabianca
8 issued to himself include certain extraordinary rights including but not limited to: (i) the holders
9 of the Series A Preferred Stock can redeem their stock at a predetermined redemption price; (ii)
10 the holders of the Series A Preferred Stock shall be entitled to elect a Director of Brinx in
11 connection with each annual election of Directors, whom shall be designated the Series A
12 Director; (iii) the right to block any material action by Brinx since material action by Brinx must
13 be approved by the holders of the majority of the Series A, Preferred Stock (Cabianca.)

14 30. The effect of the February 10, 2012 Series A Preferred Stock issuance by
15 Cabianca to himself, combined with the rights purportedly afforded by such Series A Preferred
16 Stock ownership, and with his role as controlling Director and sole Officer of Brinx, is to seal
17 Cabianca's complete dominion and control over the affairs of Brinx for his sole benefit.

18 31. Further, the effect of the Series A Preferred Stock issued by Cabianca to himself
19 was to raise his total percentage of ownership in Brinx by combining the Common and Series A
20 Preferred stock to 12.2% from his previous ownership interest of 10.4%, and to decrease
21 Beckett's percent of ownership in the Company to 11.2%.

1 32. Cabianca, for the entire period of Beckett's ownership interest in Brinx, has
 2 treated Brinx as his personal "piggy bank".

3 33. On or about April 29, 2013, Defendant Brinx was served with the Original State
 4 Complaint in this matter which alleged claims under NRS §78.630, NRS §78.635, NRS §78.650
 5 and NRS §78.655 through NRS §78.695, as well as under §10 (b) and Rule 10 (b-5) of the 1934
 6 Securities Act, 15 U.S.C. §78 (j) (1) and 17 C.F.R. §240.10 (b-5), in addition to a claim under
 7 the Sarbanes-Oxley Act of 2002.

8 34. On or about May 6, 2013, Defendant Brinx issued a Press Release titled "Brinx
 9 Resources Provides Corporate Update For 2013." A true and correct copy of the Press Release is
 10 attached hereto as Exhibit 1, and incorporated herein by reference.

11 35. Defendant Brinx and Defendant Cabianca willfully failed to inform Defendant
 12 Brinx's stockholders and the public at large of the Original State Complaint.

13 36. Defendants Brinx and Cabianca's willful failure to inform its stockholders and the
 14 public of the Original State Complaint is part of a pattern of omitting material facts that would
 15 affect a potential investor's decision in the purchase and sale of securities of Defendant Brinx.

16 37. Cabianca's actions in this regard include but are not limited to: (i) granting
 17 himself Series A Preferred stock in Brinx in 2012 without adequate factual or legal basis or fair
 18 consideration of any type; (ii) charging Brinx excessive fees and costs for Cabianca's services
 19 and those of Cabianca's family members, including but not limited to, Sarah, who willingly
 20 participated in and benefitted from the payment of excess monies; (iii) charging Brinx excessive
 21 reimbursement for personal expenses for Cabianca and Cabianca's family members, including
 22 but not limited to, Sarah, who willingly participated in and benefitted from the payment of
 23

1 excess monies; (iv) engaging in unauthorized and illegal related party transactions with Brinx,
2 including but not limited to, with Sarah, who willingly participated in and benefitted from said
3 transactions; (v) engaging in a pattern of overt acts of self-dealing and use of corporate
4 opportunities; (vi) engaging in the sale and transfer of Brinx company assets for Cabianca's
5 personal benefit or for that of Cabianca's family members, including but not limited to, Sarah,
6 who willingly participated in and benefitted from said transactions; (vii) appointing Knight to the
7 Board of Directors of Brinx in 2012 to act as his exclusive agent and co-conspirator; and (viii)
8 engaging in a pattern of other acts which establish violations of fiduciary duties owed to Beckett.
9

10 **FIRST CLAIM FOR RELIEF**

11 **[Violation of Sections (b) and Rule 10(b)(5) of the**
12 **1934 Securities Act, 15 U.S.C. § 78j(1) *et. seq.*]**

13 38. Plaintiff incorporates by reference each and every allegation set forth in
14 paragraphs 1 through 37, above.

15 39. Based on the above allegations, Defendants Cabianca and Knight, as officers and
16 directors of Brinx, have employed devices, schemes and artifices in connection with the purchase
17 and sale of securities, by use of means and interstate commerce and mail to defraud Beckett in
18 the purchase and sale of securities in violation of Section 10b and Rule 10(b)(5) of the 1934
19 Securities Act, 15 U.S.C. § 78j(1) and 17 C.F.R. § 240.10(b)(5).

21 40. Based on the above facts, Defendants Cabianca and Knight, as officers and
22 directors of Brinx, have made intentional false and misleading statements of material fact or have
23 omitted material facts necessary to make such statements not misleading in order to solicit and
24 consummate the purchase and sale of securities from Beckett.

41. Based on the above facts, Beckett, in agreeing to invest in Brinx, reasonably relied on these intentional misrepresentations and was misled by such misrepresentations and by the deception of Defendants, made in their collective capacities as officers and directors of Brinx, all to his general damage in an amount to be proven at the time of trial.

42. Beckett has been harmed by the intentional misrepresentations and deception of Defendants in the investment of funds in the securities of Brinx.

SECOND CLAIM FOR RELIEF

**[Violation of Section 20a of the 1934 Securities Act;
15 U.S.C. § 78t(a); Control Person Liability]**

43. Plaintiff incorporates by reference each and every allegation set forth in paragraphs 1 through 42, above.

44. Based on the above allegations, Defendants Cabianca and Knight, as officers and directors of Brinx, are persons liable under § 20a of the 1934 Securities Exchange Act, 15 U.S.C. § 78t(a) for violations of Section 10(b) and Rule 10(b)(5) of the 1934 Act, each as a person who directly or indirectly controlled Brinx within the meaning of the Code of Federal Regulations and the 1934 Securities Exchange Act, and who is therefore liable under Section 10(b) and Rule 10(b)(5) of the 1934 Act.

THIRD CLAIM FOR RELIEF

[Violation of the Sarbanes- Oxley Act of 2002]

45. Plaintiff incorporates by reference each and every allegation set forth in paragraphs 1 through 44, above.

46. Based on the above allegations, Defendants Cabianca and Knight, as officers and directors of Brinx, in violation of 15 U.S.C. § 78m(1) failed to adequately or timely disclose

1 material information described above, which is necessary and useful for the protection of Beckett
2 and which is in the public interest.

3 47. Based on the above allegations, Beckett has been harmed by the intentional
4 failure to disclose material facts.

5 **FOURTH CLAIM FOR RELIEF**

6 **[Violation of Section 11 of the 1933 Securities Act;
7 15 U.S.C. § 77k(a)]**

8 48. Plaintiff realleges and incorporates by reference the allegations contained in
9 paragraphs 1 through 47 as if fully set forth herein.

10 49. Based on the above facts, Defendants are liable to Plaintiff relative to the offer or
11 sale of a security because material facts were misstated or omitted from a registration statement
12 accompanying a stock filing with the Securities and Exchange Commission in violation of 15
13 U.S.C. § 77k(a).

14 50. Based on the above allegations, Beckett has been harmed by the intentional
15 misrepresentations and deception of Defendants in the investment of funds in the securities of
16 Brinx.

17 **FIFTH CLAIM OF RELIEF**

18 **[Violation of Section 15 of the 1933 Securities Act;
19 15 U.S.C. § 77o; Control Person Liability]**

20 51. Plaintiff realleges and incorporates by reference the allegations contained in
21 paragraphs 1 through 50 as if fully set forth herein.

22 52. Based on the above facts, Defendants Cabianca and Knight are control persons
23 liable under §15 of the Securities Act of 1933, 15 U.S.C. §77o, for the violations of Section 11
24 of the Securities Act of 1933 as "persons by and through stock ownership, agency or otherwise,
25 controlling any person liable under Sections 77k or 771."

Based on the foregoing, Plaintiff requests the following relief:

A. For general damages in an amount to be proven at the time of trial, but which exceed the sum of Seventy-Five Thousand Dollars (\$75,000.00);

B. For costs incurred in bringing this action, together with a reasonable attorney's fee; and

C. For such other and further relief as the Court deems just and proper.

Dated this 26th day of June, 2013.

MAUPIN, COX & LEGOY

By: John F.

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1 **EXHIBIT “1”**
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13 **EXHIBIT “1”**
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EXHIBIT “1”



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News Releases

May 06, 2013

Brinx Resources Provides Corporate Update for 2013

Denver, CO - May 6, 2013 -- Brinx Resources Ltd. (OTCQB: BNXR) ("Brinx Resources" or "Brinx" or the "Company") is pleased to provide this corporate update and discussion regarding the near term prospects of the Company.

Brinx Resources is an exploration and production company focused on developing oil and gas resources within the United States and internationally. Brinx is currently producing oil and gas from several wells drilled and completed with its partners in Oklahoma from 2009 to 2011. The Company's current focus remains in Oklahoma, as the long awaited and newly named Oklahoma-2013 Project is about to initiate a new multi-well drilling campaign. An outline of these projects as well as information on previous projects is as follows:

Oklahoma-2013.

As previously announced in 2010, Brinx and its partners entered into an agreement to participate in a significant 3d Seismic Exploration Project. The completion of the shoot and the subsequent analytics and evaluations were completed in 2011. Since this time, Brinx and its partners have been engaged in a leasing and land acquisition process that has taken much longer than expected. However, the project has now advanced such that initial drill targets have been confirmed, and the commencement of drilling is imminent.

Specifically, as a result of seismic analytics and evaluations Brinx and its partners have now identified and confirmed eight initial prospects that will constitute Phase-1 of the Oklahoma-2013 Project. The drilling of the first well (OK-13-1) is expected to begin this week, and further drilling of the remaining 7 wells is expected to continue throughout the summer. Brinx will be updating performance and upcoming drill dates for all aspects of Phase-1 with regularity as the project proceeds.

The drilling objectives at Oklahoma-2013 are to potentially target 2nd Wilcox sand, 1st Wilcox sand, Trenton dolomite, Simpson dolomite, Viola limestone, Hunton limestone, Bartlesville sand and Redfork sand. In addition to locating and developing new productive structures from the sands, dolomites and limestones mentioned above, it is also believed that deeper productive structures could be found in the Tulip Creek sand, McLish sand, Oil Creek sand, Joins sands and Arbuckle limestone.

Oklahoma-2009-2011

Brinx is currently producing oil and gas from several wells drilled and completed with its partners in Oklahoma from 2009 to 2011. These projects continue to provide revenue to the company, and are expected to do so for the foreseeable future. The most notable results from these projects are as follows: Brinx maintains a 5% working interest in the Okalahoma-2009 program. As of October, 2013 total production from the two producing wells at this project totaled 134,474 Bbls of oil and 34,999 Mcf of natural gas. Total production from these two producing wells for the three months ending January 31, 2013 totaled 206 Bbls of oil and nil Mcf of natural gas. Brinx maintains a 5% working interest in the Okalahoma-2010 program. As of October, 2013 total production from the two producing wells at this project totaled 104,007 Bbls of oil and 19,519 Mcf of natural gas. Total production from these wells for the three months ended January 31, 2013 was 407 Bbls of oil and 123 Mcf of natural gas.

California - King City

In late 2011, the Company and its partners participated in a potential new oil and gas discovery at the King City Project in California. Drilling and log data from the discovery well ("SBV-2-32″) initially indicated potential promise for the production of commercial quantities of hydrocarbons. However, as a result of further and in-depth evaluation and consultation, Brinx has elected not to participate any further at King City as it deems the project not to be economically viable and is currently being plugged.

Summary

The primary agenda for Brinx moving forward in 2013 will be two-fold. First, and of primary importance will be the continued maturation of the Oklahoma-2013 Drill Program. The Company has been patiently awaiting commencement of the drilling program, and will now focus its resources towards development and production at this highly regarded project. Secondly, the Company will focus on the advancement and development of its portfolio with an eye towards new opportunities both domestically and internationally. The Company has potentially identified several projects of interest, and will continue to further discussions and negotiations in this regard.

"With the news that drilling is about to begin at the new Oklahoma-2013 Drilling Program there is a re-invigorated enthusiasm for this exciting and hopefully prosperous chapter in the development of our Company," stated Ken Cabianca, of Brinx Resources. "There is no question that the process of developing this project has taken longer than expected, but all the hard work and patience is expected to pay off now that the commencement of drilling is imminent. Furthermore, the Company continues to pursue new opportunities with the intent to expand the Company's portfolio in order to advance the revenue stream and provide value to its shareholders."

About Brinx Resources

Brinx Resources is an expanding exploration company focused on developing onshore North American oil and natural gas reserves. The Company's current focus is on the continued exploration and development of its current land portfolio in Oklahoma, as well as the drilling and production of the new Oklahoma-2013 Project (5% interest). Brinx Resources is seeking to further expand its portfolio to include additional interests in North America and internationally.

Investor Contact

LiveCall Investor Relations for Brinx Resources

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Safe Harbor Statement: Statements which are not historical facts are forward-looking statements. The Company makes forward-looking public statements concerning its expected future operations, performance and other developments. Such forward-looking statements are necessarily estimates reflecting the Company's best judgment based upon current information and involve a number of risks and uncertainties, and there can be no assurance that other factors will not affect the accuracy of such forward-looking statements. It is impossible to identify all such factors but they include and are not limited to the existence of underground deposits of commercial quantities of oil and gas; cessation or delays in exploration because of mechanical, operating, financial or other problems; capital expenditures that are higher than anticipated; or exploration opportunities being fewer than currently anticipated. The Company has no official gas or oil reserves at this time and may not have sufficient funding to thoroughly explore, drill or develop its properties. Factors which could cause actual results to differ materially from those estimated by the Company include, but are not limited to, government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition and other factors which may be identified from time to time in the Company's public announcements and filings.

You can view the [Previous](#) News Releases item: *Tue Apr 10, 2012, Brinx Resources Provides Corporate Update and Outlook for Remainder of 2012*

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